

## Senate Bill No. 231

### CHAPTER 286

An act to amend Sections 75212 and 75230 of the Public Resources Code, relating to transportation, and making an appropriation therefor.

[Approved by Governor September 9, 2015. Filed with  
Secretary of State September 9, 2015.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 231, Gaines. Transportation programs.

Existing law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions, to be deposited in the Greenhouse Gas Reduction Fund.

Existing law continuously appropriates specified portions of the annual proceeds in the Greenhouse Gas Reduction Fund to various programs including 5% for the Low Carbon Transit Operations Program and 20% for the Affordable Housing and Sustainable Communities Program.

This bill would include water-borne transit as an eligible project that may be funded under these 2 programs. Because the bill would expand the allowable purposes for which the continuously appropriated funds allocated to the program may be expended, it would thereby make an appropriation.

Appropriation: yes.

*The people of the State of California do enact as follows:*

SECTION 1. Section 75212 of the Public Resources Code is amended to read:

75212. Projects eligible for funding pursuant to the program include any of the following:

- (a) Intermodal, affordable housing projects that support infill and compact development.
- (b) Transit capital projects and programs supporting transit ridership, including water-borne transit.
- (c) Active transportation capital projects that qualify under the Active Transportation Program, including pedestrian and bicycle facilities and supportive infrastructure, including connectivity to transit stations.
- (d) Noninfrastructure-related active transportation projects that qualify under the Active Transportation Program, including activities that encourage active transportation goals conducted in conjunction with infrastructure improvement projects.

(e) Transit-oriented development projects, including affordable housing and infrastructure at or near transit stations or connecting those developments to transit stations.

(f) Capital projects that implement local complete streets programs.

(g) Other projects or programs designed to reduce greenhouse gas emissions and other criteria air pollutants by reducing automobile trips and vehicle miles traveled within a community.

(h) Acquisition of easements or other approaches or tools that protect agricultural lands that are under pressure of being converted to nonagricultural uses, particularly those adjacent to areas most at risk of urban or suburban sprawl or those of special environmental significance.

(i) Planning to support implementation of a sustainable communities strategy, including implementation of local plans supporting greenhouse gas emissions reduction efforts and promoting infill and compact development.

SEC. 2. Section 75230 of the Public Resources Code is amended to read:

75230. (a) The Low Carbon Transit Operations Program is hereby created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities.

(b) Funding for the program is continuously appropriated pursuant to Section 39719 of the Health and Safety Code from the Greenhouse Gas Reduction Fund established pursuant to Section 16428.8 of the Government Code.

(c) Funding shall be allocated by the Controller consistent with the requirements of this part and with Section 39719 of the Health and Safety Code, upon a determination by the Department of Transportation that the expenditures proposed by a transit agency meet the requirements of this part and guidelines developed pursuant to subdivision (f), and the amount of funding requested that is currently available.

(d) Moneys for the program shall be expended to provide transit operating or capital assistance that meets all of the following criteria:

(1) Expenditures supporting new or expanded bus or rail services, new or expanded water-borne transit, or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance, and other costs to operate those services or facilities.

(2) The recipient transit agency demonstrates that each expenditure directly enhances or expands transit service to increase mode share.

(3) The recipient transit agency demonstrates that each expenditure reduces greenhouse gas emissions.

(e) For transit agencies whose service areas include disadvantaged communities as identified pursuant to Section 39711 of the Health and Safety Code, at least 50 percent of the total moneys received pursuant to this chapter shall be expended on projects or services that meet requirements of subdivision (d) and benefit the disadvantaged communities, consistent with the guidance developed by the State Air Resources Board pursuant to Section 39715 of the Health and Safety Code.

(f) The Department of Transportation, in coordination with the State Air Resources Board, shall develop guidelines that describe the methodologies that recipient transit agencies shall use to demonstrate that proposed expenditures will meet the criteria in subdivisions (d) and (e) and establish the reporting requirements for documenting ongoing compliance with those criteria.

(g) Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to the development of guidelines for the program pursuant to this section.

(h) A transit agency shall submit the following information to the Department of Transportation before seeking a disbursement of funds pursuant to this part:

(1) A list of proposed expense types for anticipated funding levels.

(2) The documentation required by the guidelines developed pursuant to subdivision (f) to demonstrate compliance with subdivisions (d) and (e).

(i) Before authorizing the disbursement of funds, the department, in coordination with the State Air Resources Board, shall determine the eligibility, in whole or in part, of the proposed list of expense types, based on the documentation provided by the recipient transit agency to ensure ongoing compliance with the guidelines developed pursuant to subdivision (f).

(j) The department shall notify the Controller of approved expenditures for each transit agency, and the amount of the allocation for each transit agency determined to be available at that time of approval.

(k) The recipient transit agency shall provide annual reports to the Department of Transportation, in the format and manner prescribed by the department, consistent with the internal administrative procedures for use of fund proceeds developed by the State Air Resources Board.

(l) The Department of Transportation and recipient transit agencies shall comply with the guidelines developed by the State Air Resources Board pursuant to Section 39715 of the Health and Safety Code to ensure that the requirements of Section 39713 of the Health and Safety Code are met to maximize the benefits to disadvantaged communities as described in Section 39711 of the Health and Safety Code.